

# Proposed constitutional arrangements for the Saffron Walden Partnership Board

## Full Council, item 8

**Committee:** Full Council

**Agenda Item**

**Date:** 17<sup>th</sup> October 2006

**8**

**Title:** Proposed constitutional arrangements for the Saffron Walden Partnership Board

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Item for decision

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### Summary

1. The Saffron Walden Partnership Board (SWPB) is a body that was established in 2005 to deliver the Saffron Walden Healthcheck Action Plan. It is made up of representatives from Uttlesford District Council, Saffron Walden Town Council, Essex County Council and the Saffron Walden Initiative. It is currently an unconstituted body and this presents a number of difficulties when it comes to raising funds, entering into contracts and managing money.
2. The SWPB wishes to become a Company Limited by Guarantee to enable it to more effectively deliver the projects identified in the Action Plan. As the District Council is a representative body on the Board it is necessary for the Board to have the approval of Full Council before becoming a Company Limited by Guarantee.

### Recommendations

Members approve the formation of a Company Limited by Guarantee to enable the Saffron Walden Partnership Board to more effectively deliver the projects identified in the Saffron Walden Healthcheck Action Plan.

### Background Papers

Saffron Walden Healthcheck, minutes from previous Saffron Walden Partnership Board meetings

### Impact

Communication/Consultation	Officers consulted on the most appropriate legal structure for the new constituted board to take.
Community Safety	N/A
Equalities	N/A
Finance	This will enable the Board to raise finance from new external sources
Human Rights	N/A

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Legal implications	<p><b>The Council will elect a member who will be its representative as a director of the new Charitable company. Any liability of that member representative will be limited to the level of the guarantee (likely to be £1).</b></p> <p><b>The member representative appointed to the board of directors will have a primary responsibility to the Company and should this be in conflict with their responsibilities as a Council member, they will have to step down from the Board or the Council.</b></p>
Ward-specific impacts	<b>None</b>
Workforce/Workplace	<b>None</b>

### Situation

1. The Saffron Walden Partnership Board was established in 2005 with the aim of delivering the Saffron Walden Healthcheck Action Plan. It comprises of representatives from Saffron Walden Initiative, Saffron Walden Town Council, Uttlesford District Council and Essex County Council. It is an unconstituted body.
2. In 2006 the Saffron Walden Partnership Board reflected on its recent experiences in obtaining and managing external funding and noted that its lack of a formal status was hampering its ability to obtain external funding for the town and the wider area.
3. Currently the Saffron Walden Partnership Board does not have a bank account of its own and as it is presently constituted could not open one. It is therefore unable to apply for the vast majority of funding that is available to Community Groups. This means that other groups (for example for the Saffron Walden Initiative) are having to apply for funds on behalf of the Partnership Board. This has the effect of reducing the amount of funding that could potentially come into the town and also places accountability for the funding and the project associated with it outside of the Partnership Board.
4. The Board has determined that in order to be more effective and to bring maximum funding into the town it should be constituted. The Board has considered a number of possible structures which it might adopt which included:
  - adopting a constitution but remaining an unincorporated association
  - a not for profit company limited by guarantee
  - a charity

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5. The Board has determined that the preferred option was to become a not for profit company limited by guarantee. This is a well used type of structure in the public and voluntary sectors which is relatively simple to establish. The shareholders’ liability if the company is wound up is limited to the usual nominal stake (£1) paid in at the start. The planned objects of the new company are:

‘To develop the economic, social, cultural and environmental wellbeing of Saffron Walden for the residents, businesses, visitors and communities it serves.’

6. It was agreed that the communities that Saffron Walden serves be consistent with the parishes and communities listed in the Healthcheck. These are: Arkesden, Ashdon, Carver Barracks, Clavering, Chrishall, Debden, Debden Green, Elmdon, Gt Chesterford, Hadstock, Hempstead, Hinxton, Ickleton, Langley, Littlebury, Little Chesterford, Little Walden, Newport, Quendon, Rickling, Radwinter, Swards End, Wenden Lofts, Wendens Ambo, Wicken Bonhunt, Widdington, and Wimbish.

7. A resolution supporting the Saffron Walden Partnership Board’s conversion to a not-for-profit company limited by guarantee will have to be agreed by all three representative authorities and the Saffron Walden Initiative.

8. The Members of the Authority who are represented on the Partnership Board would likely be appointed to the Board of Directors to enable the day to day running of the Company along with other Directors to be drawn from the Town Council, County Council and Saffron Walden Initiative. The position of the Directors is that their primary responsibility is to the company, no matter who appointed them. If a director finds their responsibility to the company is in conflict with their responsibilities to the organisation that they represent, the director should end the conflict by resigning from the board or severing the connection with the appointing organisation.

**Risk Analysis**

Risk	Likelihood	Impact	Mitigating actions
One of the representative bodies on the SWPB does not support the conversion to a company limited by guarantee	Low	High	To ensure clear information is provided to all parties to adviser of the benefits of this conversion.